

## Corporate Social Responsibility (CSR) in Preventing Child Labour in Hotels: A Comparative Study of India, the USA, UK and EU

Juhi Naseem<sup>1\*</sup>

Research Scholar, Department of Law,  
MJP Rohilkhand University, Bareilly  
juhinaseem1995@gmail.com

Gurmeet Singh<sup>2\*</sup>

Professor, Department of Law,  
K.G.K College, Moradabad  
gskhara0003@gmail.com

Abstract:

Child labour in the hotel and hospitality industry remains a persistent human rights concern, particularly in countries where informal employment and weak enforcement mechanisms prevail. Despite existing legal frameworks, thousands of children worldwide continue to be exploited in hotels, restaurants, and tourism-related services. Corporate Social Responsibility (CSR) has emerged as a powerful tool to complement state regulation by promoting ethical business practices, supply chain transparency, and community engagement. This study undertakes a comparative analysis of CSR approaches to child labour prevention in the hotel industry across India, the United States, the United Kingdom, and the European Union. Using a mixed-method approach combining doctrinal legal analysis, CSR policy review of leading hotel chains, and comparative evaluation of enforcement mechanisms, the research highlights significant differences in regulatory models, implementation strategies, and outcomes. Preliminary findings suggest that while developed regions rely on voluntary CSR frameworks supported by strong enforcement, India's mandatory CSR model faces challenges in monitoring and execution. The study contributes to global discourse on business and human rights by identifying best practices, technological tools, and policy measures that can strengthen child protection in hospitality supply chains. It concludes with practical recommendations for harmonising CSR and legal frameworks to eliminate child labour in the sector.

**Keywords:** Hotel industry, corporate social responsibility, child labour, child protection, hospitality supply chains.

### AN OVERVIEW

Child labour in the hospitality industry is a complex, multidimensional problem deeply entrenched in the socio-economic fabric of many nations. Globally, the hotel and tourism sector is one of the fastest-growing industries, contributing substantially to national GDPs, particularly in developing countries. However, this growth is not always inclusive or ethical. The sector's labour-intensive nature and dependence on cheap, flexible labour make it particularly vulnerable to the exploitation of children. Unlike factories or agricultural fields where child labour is more visible, the hospitality sector hides exploitation behind the polished veneer of service delivery. Children are often engaged in supporting roles; cleaning rooms, washing dishes, carrying luggage, serving customers, or assisting in maintenance. In many small and medium hotel enterprises, children work without formal contracts, legal protections, or social security benefits. This invisibility makes enforcement of child labour laws extremely difficult. Moreover, in regions where tourism is seasonal, children are employed on a temporary or ad-hoc basis, further complicating detection and regulation.

The socio-economic factors driving child labour in hotels are deeply structural. Poverty is the most persistent and fundamental cause, when families struggle to meet basic needs, child work becomes a survival strategy. Many children come from marginalised rural communities, migrant families, or urban slums where educational opportunities are limited or inaccessible. Illiteracy, unemployment, and economic insecurity push parents to send their children to work in nearby lodges, guesthouses, or large hotels. Migration both internal and cross-border also plays a critical role. As families move to urban or tourist areas in search of livelihood, children are often drawn into the hospitality workforce, either accompanying their parents or being employed independently by employers seeking low-cost labour. In addition, gender and caste dynamics often exacerbate vulnerability, as girls and children from lower socio-economic strata are disproportionately targeted for menial work in hotels, making them more vulnerable to exploitation and abuse. Another critical factor is weak legal enforcement and regulatory gaps. Even when strong child labour laws exist on paper, enforcement often falls short due to lack of inspection capacity, bureaucratic inefficiencies, or corruption. Informal hospitality businesses rarely face scrutiny, while formal hotel chains often subcontract services such as cleaning or laundry to third-party vendors creating layers of separation that shield companies from legal liability. Moreover, in many developing countries, existing labour laws are not adequately adapted to the structure of the service industry, leaving significant loopholes. This is further compounded by the normalisation of child work in tourism hotspots, where it is socially accepted or even encouraged by local communities who see it as a source of family income.

In this challenging environment, Corporate Social Responsibility (CSR) has emerged as a crucial complementary mechanism to formal state regulation. CSR provides a voluntary, market-driven, and ethics-based framework through which hotels and hospitality businesses can address child labour proactively. Unlike traditional state enforcement, CSR initiatives can be flexible, adaptive, and tailored to the specific needs and risk areas of the industry. Large hotel chains, for instance, can use CSR strategies to establish strict child labour policies, vet their suppliers, adopt fair recruitment practices, and monitor their supply chains to ensure that no child is employed directly or indirectly. CSR also encourages companies to go beyond compliance by supporting community development programs, such as sponsoring education for at-risk children, providing vocational training, or empowering local families economically to reduce their dependence on child labour.

Furthermore, CSR aligns with international soft-law frameworks and human rights standards, making it a bridge between national legal systems and global norms. Instruments like the UN Guiding Principles on Business and Human

Rights (UNGPs), ILO Conventions 138 and 182, and Sustainable Development Goal 8.7 explicitly call for private sector involvement in eradicating child labour. By adhering to these frameworks, corporations not only demonstrate ethical responsibility but also enhance their international reputation and consumer trust. This is particularly significant in the hospitality industry, where brand image, sustainability certifications, and customer perception directly impact profitability. CSR also fosters multi-stakeholder collaboration bringing together corporations, governments, NGOs, and international bodies to create stronger, more holistic mechanisms to identify and eliminate child labour.

Against this backdrop, Corporate Social Responsibility (CSR) has emerged as a powerful non-state mechanism in addressing labour rights violations, including child labour. Unlike traditional state regulation, which often suffers from resource constraints, weak enforcement, or jurisdictional limitations, CSR enables corporations to voluntarily adopt ethical standards, human rights commitments, and child protection measures that go beyond legal compliance. In the hotel industry, CSR can play a transformative role by promoting responsible business practices, ensuring ethical supply chains, and creating systems of internal monitoring and reporting to prevent the use of child labour at any stage of hotel operations. Through CSR initiatives, companies can engage in community development programs that reduce families' reliance on child labour, support education and skill-building programs for vulnerable children, and implement transparent auditing mechanisms. Tools such as blockchain-based supply chain tracking, digital audit platforms, and real-time reporting apps enable hotels to create transparent, traceable systems of accountability. These innovations help detect hidden forms of child labour, ensure ethical sourcing of goods and services, and build credible CSR reporting mechanisms. By integrating legal compliance with voluntary corporate responsibility and technological innovation, CSR offers a sustainable and practical path forward for addressing child labour in the hospitality sector. Additionally, international frameworks such as the UN Guiding Principles on Business and Human Rights (UNGPs), the ILO Conventions, and the Sustainable Development Goals (particularly SDG 8.7) provide a normative foundation for integrating child labour prevention into CSR strategies. Thus, CSR complements state regulation by mobilizing private sector responsibility, encouraging industry self-regulation, fostering partnerships with civil society, and creating market incentives for ethical business conduct. In a sector as globally connected and economically significant as hospitality, CSR represents a critical tool for addressing the structural and systemic factors driving child labour while advancing corporate accountability and human rights protection.

#### EVOLUTION OF CORPORATE SOCIAL RESPONSIBILITY

Corporate Social Responsibility (CSR) can be broadly defined as the ethical and voluntary commitment of businesses to contribute to economic development while improving the quality of life of employees, their families, communities, and society at large. It goes beyond the narrow objective of profit maximisation and emphasises the social, environmental, and ethical responsibilities of corporations. Initially, CSR was understood as corporate philanthropy or charitable donations made by companies to support local communities. However, over time, it has evolved into a strategic governance framework that integrates sustainability, human rights, and social accountability into core business operations. The fundamental idea behind CSR is that corporations, as powerful economic actors, have responsibilities not only to shareholders but also to other stakeholders including workers, consumers, suppliers, and the community. This shift has been reinforced by globalisation, the rise of multinational corporations, and increased public awareness of business impacts on society.

The global emergence of CSR as a governance tool can be traced back to the mid-20th century, with growing concerns about the social and environmental consequences of industrialisation.

During the 1970s and 1980s, civil society movements, consumer activism, and environmental campaigns began to demand greater accountability from corporations. This pressure led many businesses to voluntarily adopt socially responsible practices. The concept gained further momentum in the 1990s and early 2000s with the rise of globalisation and cross-border supply chains, which brought increased scrutiny on labour conditions, environmental degradation, and human rights violations linked to corporate activities. As states struggled to regulate transnational business practices effectively, CSR emerged as a “soft law” mechanism a voluntary yet structured approach for corporations to self-regulate in line with global norms. International frameworks such as the UN Global Compact (2000), the UN Guiding Principles on Business and Human Rights (2011), and the OECD Guidelines for Multinational Enterprises institutionalised CSR as a governance tool that could complement, and sometimes fill gaps in, formal legal regulation.

A crucial distinction in CSR discourse lies in understanding CSR versus legal obligations versus voluntary commitments. Legal obligations are mandatory duties imposed on corporations through statutory laws, such as labour laws, environmental regulations, or taxation. Failure to comply with these laws results in legal sanctions, fines, or prosecution. Voluntary CSR commitments, on the other hand, are not legally binding; they reflect a company's self-imposed ethical standards and social goals. These may include community development initiatives, educational support, anti-child labour pledges, or sustainable sourcing policies. CSR occupies a unique position between voluntary ethics and binding legal rules. While it is often voluntary in nature, CSR is increasingly being formalised through regulatory frameworks, as seen in India's Companies Act, 2013, which mandates CSR spending for large companies. Similarly, in the European Union, due diligence and non-financial reporting directives require companies to disclose their social and environmental impacts, thereby blurring the line between voluntary CSR and legal accountability.

Importantly, CSR has evolved from being an “add-on” activity to a core element of corporate governance and strategy. Modern CSR integrates with Environmental, Social, and Governance (ESG) frameworks and aligns with international development goals such as the Sustainable Development Goals (SDGs). This evolution reflects a growing recognition that businesses are not isolated from society; their operations have direct and indirect impacts on human rights, labour conditions, and the environment. In the context of the hospitality industry, CSR has become a critical governance tool to address issues such as child labour, exploitation of migrant workers, and environmental degradation. By voluntarily

committing to ethical standards, implementing transparent reporting, and aligning their operations with global human rights frameworks, hotel corporations can enhance their legitimacy, mitigate reputational risks, and contribute to sustainable development. Thus, CSR stands at the intersection of law, ethics, and governance, functioning as both a complement and a catalyst to state regulation in promoting corporate accountability and social justice.

#### INTERSECTION OF CORPORATE SOCIAL RESPONSIBILITY AND LABOUR RIGHTS

The intersection of Corporate Social Responsibility (CSR) and labour rights represents a critical shift in how businesses engage with social and legal responsibilities in a globalised economy. Traditionally, labour rights were considered the sole domain of state regulation through labour laws, employment standards, and enforcement mechanisms. However, in an increasingly interconnected world where supply chains span multiple jurisdictions often involving informal labour markets and weak enforcement environments relying solely on statutory law has proven insufficient to protect vulnerable workers, including children. CSR has therefore emerged as a soft law mechanism that complements and strengthens formal legal frameworks by encouraging corporations to take proactive responsibility for ensuring fair labour practices throughout their operations and supply chains. Unlike hard law, which is legally binding, soft law consists of voluntary standards, codes of conduct, ethical guidelines, and industry best practices that businesses adopt to meet or exceed minimum legal requirements. Through CSR, companies can address labour rights violations more effectively by implementing internal monitoring systems, auditing suppliers, providing grievance mechanisms, and fostering decent work conditions, even in contexts where state enforcement is weak or absent.

The United Nations Guiding Principles on Business and Human Rights (UNGPs), endorsed in 2011, serve as the most influential global framework at the intersection of CSR and labour rights. These principles rest on three foundational pillars: (1) the state duty to protect human rights, (2) the corporate responsibility to respect human rights, and (3) access to effective remedies for victims of abuse. While the state remains the primary duty-bearer under international law, the UNGPs emphasize that corporations have an independent responsibility to respect human rights, including labour rights, regardless of whether domestic laws are enforced. This responsibility entails adopting human rights due diligence measures—identifying, preventing, and mitigating adverse human rights impacts connected to business operations. In the hospitality industry, this means ensuring that hotels and their suppliers are not engaging in child labour, forced labour, or exploitative practices. Companies are expected to go beyond compliance and embedded human rights considerations into their governance, policies, and decision-making. Many hotel chains now use CSR frameworks aligned with the UNGPs to strengthen their supply chain accountability, implement ethical recruitment, and engage with civil society organisations to monitor compliance.

Additionally, CSR and labour rights intersect strongly within the United Nations Sustainable Development Goals (SDGs), particularly SDG 8.7, which calls for immediate and effective measures to eradicate forced labour, end modern slavery and human trafficking, and secure the prohibition and elimination of the worst forms of child labour, including recruitment and use of child soldiers, and by 2025 end child labour in all its forms. Achieving SDG 8.7 requires a multi-stakeholder approach where governments, corporations, international organisations, and communities work together to address both the root causes and manifestations of labour exploitation. CSR plays a strategic role in advancing SDG 8.7, as businesses can use their resources, influence, and networks to create safer workplaces, enhance transparency, and support community development initiatives that reduce vulnerability to child labour. For example, hospitality companies can implement child protection policies, invest in education programs for at-risk youth, and partner with NGOs to monitor compliance with international labour standards. Moreover, CSR's complementary role to statutory law ensures that businesses do not merely meet the minimum legal standards but actively contribute to building more equitable and just labour markets. In many countries, especially developing economies, enforcement of child labour and labour protection laws is weak due to resource limitations, lack of inspectors, or informal economic structures. CSR fills this gap by promoting voluntary corporate accountability and creating market-based incentives for compliance. Companies that adhere to strong CSR and human rights standards not only enhance their reputational value but also set industry benchmarks that can influence regulatory developments over time. In essence, CSR bridges the gap between international human rights norms and local legal systems, reinforcing labour rights protection and advancing global development goals. In the context of the hotel industry, integrating CSR with labour rights frameworks is indispensable for eradicating child labour and ensuring decent work for all, aligning business practices with both UNGPs and SDG 8.7 to create a more ethical and sustainable global economy.

#### LEGAL AND POLICY FRAMEWORK ON CHILD LABOUR IN HOTELS

The legal and policy framework on child labour in the hotel and hospitality sector is strongly influenced by international standards, which set out minimum obligations for states and responsibilities for businesses to protect children from economic exploitation. Among the most significant of these are ILO Convention No. 138 on Minimum Age (1973) and ILO Convention No. 182 on the Worst Forms of Child Labour (1999). These two conventions form the foundation of international child labour law and are binding on member states that have ratified them. ILO Convention 138 establishes the minimum age for admission to employment or work, which should not be less than the age of completion of compulsory schooling and, in any case, not less than 15 years (with some exceptions for developing countries where 14 is permitted). The Convention aims to ensure that children are not forced to work at ages when they should be receiving education and developing their capabilities. In the context of the hospitality industry, this means that hotels, restaurants, and related establishments must not employ children below the legal minimum age in any capacity, whether formal or informal.

ILO Convention 182 complements this by focusing on the worst forms of child labour, which include slavery, trafficking, debt bondage, forced labour, sexual exploitation, illicit activities, and any work likely to harm the health, safety, or morals of children. The hospitality sector, especially in tourist destinations, has been identified as an area where children



are vulnerable to several of these worst forms, including sexual exploitation, trafficking, and exploitative domestic work. Under Convention 182, signatory states are obliged to take immediate and effective measures to prohibit and eliminate such practices. These obligations extend not only to governments but also indirectly to private sector actors, who are expected to align their operations with these standards. Many countries have integrated the provisions of these conventions into their national legislation, establishing legal frameworks that prohibit child labour in hotels, guesthouses, and other tourism-related services.

Another cornerstone of the international child protection framework is the United Nations Convention on the Rights of the Child (UN CRC), adopted in 1989. The UN CRC, which has been ratified by nearly every country in the world, recognises the right of every child to be protected from economic exploitation and from performing work that is likely to be hazardous or interfere with their education, health, or development (Article 32). The Convention imposes clear obligations on states to implement legislative, administrative, social, and educational measures to ensure children are not subjected to such exploitation. Importantly, the CRC also emphasises the child's right to education, development, and dignity, linking child labour prevention to broader human rights and social protection goals. For the hospitality sector, this means that states must not only prohibit child labour but also create regulatory and monitoring systems to ensure compliance within both formal and informal hotel establishments. This includes inspections, reporting mechanisms, and penalties for violations, as well as support programs for children withdrawn from work.

In addition to binding international treaties, there are also voluntary but influential global codes of conduct that guide businesses in the hospitality and tourism industries. One of the most prominent is The Code of Conduct for the Protection of Children from Sexual Exploitation in Travel and Tourism (ECPAT Code), developed by ECPAT International in collaboration with the tourism sector and supported by UNICEF and the World Tourism Organisation (UNWTO). This voluntary instrument is a multi-stakeholder initiative that encourages tourism businesses including hotels to commit to a set of six criteria aimed at protecting children. These include establishing ethical policies, training employees, implementing contractual clauses with suppliers and customers, providing information to travellers, and reporting suspected cases of child exploitation. While not legally binding, the ECPAT Code has become a powerful soft law instrument influencing corporate behaviour and industry standards. Many major hotel chains and tourism companies globally have signed and implemented the Code, using it as part of their CSR strategies to combat child labour and exploitation.

Together, ILO Conventions 138 and 182, the UN CRC, and voluntary codes like ECPAT form a comprehensive international framework for preventing child labour in the hospitality industry. They establish minimum age standards, prohibit hazardous work, recognise children's rights, and encourage private sector engagement in child protection. This combination of hard law (binding treaties) and soft law (voluntary industry codes) creates a multilayered governance structure that strengthens child protection. When implemented effectively through national legislation, industry self-regulation, corporate social responsibility, and multi-stakeholder partnerships these standards can significantly reduce the risk of child labour in hotels and related sectors. However, their effectiveness depends heavily on robust enforcement mechanisms, monitoring, and genuine corporate commitment, particularly in countries where informal employment and weak state oversight prevail.

#### COMPARATIVE ANALYSIS OF INDIA WITH USA, UK AND EUROPEAN UNION

##### India

In India, the legal and policy framework addressing child labour is anchored in the Child Labour (Prohibition and Regulation) Act, 1986, which was substantially amended in 2016 to align more closely with international standards such as ILO Conventions 138 and 182. This legislation prohibits the employment of children below the age of 14 years in any occupation or process and bans the employment of adolescents (14–18 years) in hazardous occupations and processes. The 2016 amendment also introduced stricter penalties for violations, including imprisonment and fines for employers who engage children in prohibited work. Additionally, it expanded the scope of the law by defining hazardous work more comprehensively, which is particularly relevant to the hospitality sector, where children are often employed in hotels, restaurants, dhabas, lodges, and resorts, frequently in invisible or informal roles such as housekeeping, dishwashing, or as helpers. Though the law allows children to assist in “family enterprises” under certain conditions, this exemption has been widely criticised for creating loopholes that may enable exploitative practices under the guise of family work, especially in small hotel and restaurant businesses.

Another significant regulatory mechanism relevant to child labour prevention in India is embedded within the Companies Act, 2013, which introduced a mandatory Corporate Social Responsibility (CSR) framework. Under Section 135 of the Act, companies meeting certain financial thresholds are required to allocate at least 2% of their average net profits towards CSR activities. The Schedule VII of the Act outlines areas where CSR funds can be utilised, including eradicating extreme hunger and poverty, promoting education, and ensuring environmental sustainability, all of which are directly or indirectly linked to child labour prevention. Many corporations, including those in the hospitality and tourism industry, use CSR initiatives to support educational programs, vocational training, and community development projects aimed at addressing the root causes of child labour such as poverty, lack of access to schooling, and social vulnerability. In the hotel sector, CSR has also been used to establish ethical supply chains, provide training to staff on child protection, and partner with NGOs to raise awareness and rehabilitate affected children. This approach reflects a growing recognition that corporate actors have a shared responsibility with the state to uphold human rights and contribute to sustainable development.

Despite a well-developed legal and CSR framework, labour inspection and enforcement in India face significant challenges, particularly in informal sectors such as small hotels, guesthouses, and restaurants. Labour inspection mechanisms remain under-resourced, with limited personnel, inadequate training, and insufficient coordination among

agencies. Inspections often focus on large, formal establishments, leaving smaller, unregistered businesses where child labour is most prevalent largely unchecked. Corruption and lack of transparency in inspection processes further undermine enforcement. Additionally, the invisibility of child labour as many children work in hidden, back-end hotel operations makes detection and reporting difficult. Many children are trafficked or migrate from rural areas to urban tourist hubs, working under exploitative conditions without contracts, safety measures, or legal protections. While rehabilitation programs exist, their implementation is uneven and often poorly integrated with education and livelihood support systems.

To address these gaps, there is increasing emphasis on strengthening public-private collaboration, leveraging CSR to support monitoring, reporting, and capacity-building. Initiatives such as community vigilance, hotel industry self-regulation, and partnerships with NGOs can complement formal state inspections. Moreover, digital monitoring systems, child helplines, and awareness campaigns can enhance enforcement effectiveness. Ultimately, India's legal provisions and CSR framework provide a strong foundation on paper, but their real impact depends on robust enforcement, cross-sector collaboration, and a cultural shift towards zero tolerance for child labour in the hospitality industry.

### **United States**

In the United States, the primary legal instrument governing child labour is the Fair Labour Standards Act (FLSA) of 1938, which establishes minimum age requirements, permissible working hours, and conditions under which minors can be employed. The FLSA sets the minimum age for non-agricultural employment at 14 years and imposes strict restrictions on the hours that minors under 16 can work, particularly during school days and school hours. For hazardous occupations, the minimum age is set at 18 years, ensuring that minors are not exposed to dangerous or exploitative work environments. Within the hospitality industry, which includes hotels, restaurants, and tourism-related services, these rules are particularly important because young workers are often employed in front desk operations, housekeeping, kitchen services, and maintenance. The U.S. Department of Labor's Wage and Hour Division (WHD) is responsible for enforcing FLSA provisions, conducting regular inspections, investigating complaints, and imposing penalties on violators. Hotels and hospitality businesses found violating child labour laws can face substantial fines and reputational damage, which acts as a significant deterrent. Importantly, the U.S. legal framework also includes protections for migrant children and trafficked minors, ensuring that child labour laws apply regardless of immigration status.

Beyond legal mandates, voluntary Corporate Social Responsibility (CSR) initiatives play an increasingly important role in preventing child labour in the hospitality sector. Many U.S.-based hotel chains and hospitality corporations adopt human rights due diligence measures, supplier codes of conduct, and ethical sourcing policies to ensure compliance not only with domestic labour laws but also with international labour standards. These CSR commitments are often guided by frameworks such as the UN Guiding Principles on Business and Human Rights, the ILO standards, and initiatives like ECPAT (End Child Prostitution and Trafficking), which focus on protecting children from sexual exploitation in travel and tourism. Large hotel groups such as Marriott, Hilton, and Hyatt have developed global CSR strategies that include employee training programs on child protection, partnerships with NGOs to identify and report suspected exploitation, and the adoption of strict supplier vetting mechanisms. Voluntary CSR has become both a risk management tool protecting brand reputation and a moral commitment aligned with broader human rights goals. Additionally, federal agencies often encourage industry-led initiatives as a supplement to enforcement, recognizing that voluntary compliance and self-regulation can help address gaps that government monitoring alone cannot fully cover.

The role of hospitality industry associations in the U.S. is also crucial in advancing child labour prevention. Organizations such as the American Hotel & Lodging Association (AHLA) and the U.S. Travel Association actively promote ethical labour practices, develop standardized codes of conduct, and provide training resources to member hotels. These associations work closely with the federal government, NGOs, and international bodies to raise awareness, build industry capacity, and promote self-regulation. Many associations endorse or partner with international frameworks like The Code (ECPAT), committing to policies against child exploitation and labour abuse in hotels. They also facilitate information-sharing networks that help businesses identify high-risk areas, report violations, and support community development initiatives aimed at reducing child labour. Moreover, these industry bodies often act as intermediaries between regulators and businesses, encouraging compliance through education rather than punitive measures alone.

Overall, the U.S. approach to combating child labour in the hospitality industry is characterized by a strong legal foundation under the FLSA, federal enforcement mechanisms, and robust CSR initiatives supported by industry associations. This combination of binding legal obligations and voluntary corporate responsibility creates a comprehensive framework that not only penalizes non-compliance but also fosters a culture of ethical labour practices. While challenges remain, particularly with subcontracting and seasonal employment in tourism, the integration of CSR and regulatory measures has strengthened the U.S.'s capacity to prevent and address child labour in the hotel sector.

### **United Kingdom**

In the United Kingdom, the fight against child labour and exploitative practices in the hospitality industry is primarily anchored in the Modern Slavery Act, 2015, a landmark piece of legislation designed to combat modern slavery, forced labour, and human trafficking in all sectors, including hotels and tourism. The Act consolidates and strengthens previous anti-slavery laws, making it a criminal offence to engage in slavery, servitude, or forced or compulsory labour, and establishing severe penalties for violations. Importantly, it broadens accountability beyond direct employment to include entire supply chains, recognizing that exploitation often occurs in outsourced or subcontracted services such as cleaning, catering, and construction areas closely linked to hotel operations. The law also created the office of the Independent Anti-Slavery Commissioner, whose role is to promote best practices in preventing, detecting, and prosecuting modern slavery offences. For the hospitality industry, which often relies on extensive and complex supply chains, the Modern Slavery Act

has been transformative, compelling businesses to ensure that neither child labour nor forced labour exists at any stage of their operations or supply networks.

A critical feature of the Modern Slavery Act is its mandatory reporting and transparency in supply chains requirement, contained in Section 54. This provision mandates that all commercial organizations operating in the UK with an annual turnover of £36 million or more must publish an annual “Slavery and Human Trafficking Statement.” This statement must outline the steps the company has taken to identify, prevent, and address risks of modern slavery and child labour within its operations and supply chains. For the hospitality industry, this means that major hotel groups, tourism businesses, and service providers are required to disclose their human rights due diligence practices, including policies on recruitment, supplier auditing, employee training, and partnerships with NGOs or law enforcement agencies. The transparency requirement is intended to drive corporate accountability through public disclosure, enabling consumers, investors, and civil society to scrutinize a company’s ethical practices. Failure to publish such a statement can result in reputational damage and potential legal action by the government. As a result, many leading UK-based and international hotel chains have adopted comprehensive ethical sourcing policies, modern slavery risk assessments, and robust grievance mechanisms to demonstrate compliance.

In this context, Corporate Social Responsibility (CSR) has evolved from a voluntary philanthropic concept into a core element of corporate compliance strategy under the Modern Slavery Act. UK companies now integrate CSR directly into governance and risk management frameworks, aligning it with legal obligations and international standards such as the UN Guiding Principles on Business and Human Rights (UNGPs) and the ILO conventions on child labour. For hospitality corporations, CSR initiatives often include supplier training on labour rights, audits of recruitment agencies, awareness campaigns against child trafficking, and partnerships with NGOs to rehabilitate victims of exploitation. Many hotel groups have joined industry-led collaborations, such as the Sustainable Hospitality Alliance, which promotes human rights due diligence and sustainable employment practices. CSR in this context is no longer limited to community projects or charity but has become a strategic compliance mechanism to mitigate legal, ethical, and reputational risks. By embedding CSR within the legal framework of the Modern Slavery Act, the UK has successfully blurred the line between voluntary ethical conduct and mandatory corporate responsibility.

Overall, the UK’s approach combines regulatory enforcement with corporate self-regulation, ensuring that businesses especially those in high-risk sectors like hospitality play an active role in preventing child labour and exploitation. The Modern Slavery Act, 2015 has thus positioned CSR as both a compliance obligation and a moral imperative, driving transparency, ethical accountability, and responsible business conduct throughout the hospitality supply chain.

#### **European Union**

In the European Union (EU), the prevention of child labour and exploitation within the hospitality industry is increasingly governed by an integrated legal and policy approach that combines Corporate Social Responsibility (CSR) with mandatory human rights due diligence (HRDD) obligations. The center piece of this evolving framework is the EU Directive on Corporate Sustainability Due Diligence (CSDDD), adopted in 2024, which marks a transformative step in making responsible business conduct a legal duty rather than a voluntary practice. The Directive requires large EU companies and non-EU companies operating within the Union to identify, prevent, mitigate, and account for adverse human rights and environmental impacts throughout their entire value chains. This includes operations, subsidiaries, and business partners both within and outside the EU. In the context of the hospitality sector, which involves complex, cross-border supply chains and subcontracting arrangements for services such as cleaning, food supply, construction, and security, this Directive imposes a direct legal obligation to ensure that no form of child labour, forced labour, or exploitation occurs at any stage of business operations. Companies are required to establish due diligence policies, conduct regular risk assessments, engage with stakeholders, and implement effective grievance mechanisms to address violations.

The CSR and human rights due diligence (HRDD) framework under the EU model goes beyond the traditional voluntary ethos of CSR by institutionalizing corporate accountability. It builds upon international norms such as the UN Guiding Principles on Business and Human Rights (UNGPs) and the OECD Guidelines for Multinational Enterprises, but unlike these soft law instruments, the EU Directive makes due diligence legally enforceable. Businesses must publicly report on their due diligence processes, including how they identify and address human rights risks such as child labour, trafficking, and exploitation in their supply and subcontracting chains. Failure to comply can result in administrative sanctions, civil liability, and reputational consequences. Within the hospitality industry, this means that hotel chains and tourism corporations must now integrate human rights risk management into their corporate governance systems developing supplier codes of conduct, conducting on-site audits, ensuring fair recruitment practices, and engaging in transparent reporting. CSR, therefore, has evolved into a structured, compliance-based approach that binds corporations to measurable ethical standards, transforming it from a public relations exercise into a legally grounded accountability mechanism.

The Directive also introduces significant implications for cross-border hotel chains, many of which operate franchises or partnerships spanning multiple jurisdictions with varying labour standards. These companies are now obligated to exercise cross-border due diligence, ensuring that their affiliates and contractors, even in non-EU countries, comply with EU-mandated human rights and child protection standards. This extraterritorial reach reinforces corporate responsibility beyond the EU’s borders, compelling global hospitality brands to align their global operations with the EU’s sustainability and human rights framework. For instance, a hotel chain headquartered in France but operating franchises in India, Southeast Asia, or Africa must monitor and address risks of child labour in those locations, even if local laws are less stringent. Moreover, the Directive encourages collaboration with local NGOs, trade unions, and government agencies to improve labour conditions and support community development, thereby extending CSR’s impact across global supply chains.



In essence, the EU's approach represents a paradigm shift from voluntary CSR to mandatory corporate due diligence, combining ethical imperatives with enforceable obligations. By embedding CSR within a legal framework that emphasizes transparency, accountability, and human rights protection, the EU has positioned itself as a global leader in responsible business conduct. For the hospitality industry, this means a redefinition of corporate responsibility where preventing child labour is not just a matter of social good but a legal and moral requirement central to sustainable and ethical business operations.

Across the four jurisdictions, statutory frameworks differ markedly in scope, focus and enforcement capacity. India's legal framework is robust on paper, its Child Labour (Prohibition & Regulation) law, strengthened prosecutorial provisions and sectoral rules theoretically prohibit employment of young children and restrict hazardous adolescent work but enforcement capacity is uneven: labour inspectorates are understaffed, many hospitality establishments operate informally or subcontract services, and prosecutions and rescues are episodic. The United States relies primarily on the Fair Labor Standards Act and an active Wage and Hour Division; federal and state enforcement mechanisms are well established, inspections occur regularly, and penalties can be substantial, yet gaps remain where informal employment, subcontracting and seasonal work escape scrutiny. The United Kingdom's Modern Slavery Act combines criminal sanctions with a transparency regime (mandatory supply-chain reporting for large firms) and a dedicated Anti-Slavery Commissioner, giving regulators both prosecutorial and reputational levers to act; however, practical enforcement against hidden child labour still depends on investigative capacity and cross-agency cooperation. The European Union's evolving approach culminating in binding corporate due diligence obligations creates a transnational normative baseline that requires companies to identify and mitigate human-rights harms across value chains; nevertheless, the Directive's effectiveness will hinge on consistent transposition, resourced national enforcement authorities and cross-border cooperation to police suppliers in jurisdictions with weaker labour laws. In short, laws are strongest where institutional inspection, labour inspectorate resources, and inter-agency coordination are strong; where those capacities are weak, statutory obligations have limited practical bite.

#### **CSR FRAMEWORKS AND EFFECTIVENESS — VOLUNTARY VS. MANDATORY CSR MODELS**

CSR frameworks in these regions range from largely voluntary to increasingly mandatory, and that distinction shapes outcomes. The U.S. model has historically leaned on voluntary corporate commitments codes of conduct, supplier audits, and NGO partnerships which can produce innovation and rapid corporate uptake but often result in uneven coverage, variable implementation quality, and limited external accountability. The UK has introduced a hybrid model: voluntary CSR activity is complemented by mandatory transparency obligations under the Modern Slavery Act, using public disclosure as a compliance tool that pressures firms to take meaningful steps. India's Companies Act creates a statutory CSR spending obligation for qualifying firms, channelling private funds toward social objectives (education, anti-poverty work) that can address root causes of child labour but the law does not automatically ensure that CSR programs target child labour in firms' own operations or supply chains, and monitoring of CSR effectiveness is uneven. The EU is shifting CSR from voluntary to legally enshrined due diligence through its Corporate Sustainability Due Diligence Directive, which mandates concrete risk-management processes and reporting obligations; this mandatory model promises higher baseline compliance and liability incentives, but success depends on enforcement and the Directive's reach into non-EU supplier countries. Empirically, voluntary CSR tends to produce pockets of excellence but systemic gaps; mandatory measures raise the floor of compliance and create clearer incentives for remediation, though they also bring compliance costs and require capable oversight.

#### **IMPLEMENTATION CHALLENGES — INFORMAL SECTOR, SUPPLY CHAINS, HIDDEN CHILD LABOUR.**

Implementation problems recur across jurisdictions and are often structural rather than legal. The hospitality industry's reliance on subcontracting for cleaning, laundry, catering and maintenance creates multiple layers where child labour can be concealed; parent companies may claim plausible deniability while abuses occur in third-party operations. Informality is a particularly acute challenge in India and in many tourist economies: small lodges, roadside eateries and unregistered guesthouses are difficult to regulate and frequently employ children in ad-hoc roles. Even in developed jurisdictions, seasonal tourism and temporary work arrangements complicate monitoring and enforcement, as do migrant flows and undocumented status which discourage reporting. Data gaps and under-reporting are pervasive: without reliable prevalence estimates, targeted interventions are hard to design. Cultural normalization of child work in some communities, weak whistleblower protections, fear of losing livelihood, and corruption in inspection regimes further hinder effective implementation. Technological solutions (digital reporting, biometric age checks, blockchain traceability) can help, but they require investment, privacy safeguards and the political will to integrate private monitoring with public enforcement.

#### **BEST PRACTICES AND LESSONS LEARNED — EU DUE DILIGENCE LAWS, UK TRANSPARENCY, INDIA'S MANDATORY CSR SPENDING**

Several policy and corporate practices stand out as promising. The EU's due diligence model introduces a systematic, risk-based process that compels companies to map their value chains, proactively identify child-labour risks, and take proportionate preventive or remedial action; where enforced, this shifts the burden of proof towards firms and fosters upstream remediation. The UK's transparency requirement has proven effective in mobilising public scrutiny, annual reporting on modern slavery forces firms to formalise policies, conduct supplier risk assessments and disclose remediation steps, thereby creating reputational incentives to act. India's mandatory CSR spending channels significant private resources into education, poverty alleviation and community programs that address root causes of child labour; when well-targeted and monitored, such investments reduce household reliance on child income and create local alternatives. The best practical outcomes emerge where these elements are combined: mandatory due diligence or reporting that is backed by credible enforcement; targeted CSR investments aligned with due-diligence findings; third-party audits and multi-

stakeholder grievance mechanisms; public-private NGO partnerships for rescue and rehabilitation; and technological transparency tools that make supply chains auditable.

#### **GAP ANALYSIS —LEGAL VS. CORPORATE COMMITMENTS**

Despite converging norms, a persistent gap remains between legal frameworks and corporate commitments. Laws may prohibit child labour or require due diligence, yet corporate practice varies from full compliance to superficial “box-ticking.” Voluntary CSR commitments sometimes serve branding rather than substantive change, with weak monitoring, limited supplier follow-through and scarce evidence of impact. Conversely, mandatory legal regimes can create compliance bureaucracies that satisfy formal requirements without transforming ground-level realities if enforcement is weak. The mismatch is often most acute in cross-border operations: multinational hotel chains headquartered in jurisdictions with strong laws may nonetheless source services from areas where local enforcement is feeble, creating blind spots. Closing the gap therefore requires alignment legal mandates that define minimum due- diligence expectations, transparent corporate disclosures subject to audit, resourced enforcement agencies with extraterritorial cooperation, legally meaningful remedies for victims, and CSR programs designed around measurable, independently verified outcomes rather than discretionary philanthropy. Only by synchronizing statutory obligations with credible corporate accountability mechanisms can policy ambitions to eradicate child labour in the hospitality sector be translated into durable, on-the-ground progress.

#### **CONCLUSION**

The issue of child labour in the hospitality industry remains a pressing global concern, reflecting the tension between rapid economic growth, informal labour practices, and inadequate enforcement of labour rights. This research set out to examine how Corporate Social Responsibility (CSR) functions as both a strategic and ethical mechanism for preventing child labour, with a comparative focus on India, the United States, the United Kingdom, and the European Union. The core objective was to understand the interplay between statutory frameworks, voluntary corporate initiatives, and enforcement capacities across these jurisdictions, while identifying best practices and gaps that influence the practical realization of child protection within hotel supply chains. The study reiterates that although legislative prohibitions on child labour exist universally, the hospitality industry characterized by fragmented operations, subcontracting, and informal employment remains a significant risk zone for child exploitation. Addressing this requires more than legal compliance; it demands a corporate commitment to ethical governance, community engagement, and cross-sector collaboration.

The comparative analysis highlights that while all four jurisdictions recognize child labour as a human rights violation, they differ significantly in their approaches to regulation and CSR implementation. India’s framework combines statutory prohibitions with mandatory CSR spending under the Companies Act, offering a unique but imperfect model that channels corporate funds into education and poverty alleviation. However, enforcement gaps persist, particularly in the informal hotel sector where child labour often goes undetected. The United States enforces stringent labour standards under the Fair Labor Standards Act (FLSA), backed by robust inspection mechanisms and federal oversight, while encouraging voluntary CSR and industry self-regulation through associations like the American Hotel & Lodging Association. The United Kingdom’s Modern Slavery Act, 2015 bridges law and ethics by mandating transparency in supply chains, pushing companies toward more accountable CSR practices. The European Union’s Corporate Sustainability Due Diligence Directive (CSDDD) takes this further by institutionalizing CSR as a legal duty, requiring companies to identify and mitigate human rights risks, including child labour, across global value chains. Collectively, these frameworks show a clear evolution from voluntary CSR models to mandatory corporate accountability mechanisms, marking a global shift toward stronger governance of ethical business conduct.

The findings reaffirm that CSR is not merely a philanthropic activity but a strategic tool for sustainable and ethical business management. In the hospitality industry where labour practices directly influence brand reputation, consumer trust, and social legitimacy CSR initiatives that prioritize human rights protection, fair labour conditions, and community development can significantly reduce child labour risks. Effective CSR strategies, such as supplier audits, employee training, ethical recruitment, partnerships with NGOs, and community education programs, strengthen the preventive ecosystem against exploitation. Moreover, CSR enables companies to go beyond compliance by fostering a culture of responsibility, transparency, and continuous improvement. When integrated with legal frameworks such as the UN Guiding Principles on Business and Human Rights (UNGPs) and the Sustainable Development Goals (particularly SDG 8.7, which calls for ending child labour in all its forms), CSR becomes a critical bridge between business imperatives and human rights obligations.

Looking ahead, the way forward lies in creating a harmonized international framework that aligns statutory obligations with corporate due diligence standards. There is an urgent need for cross-border collaboration among governments, international organizations, and the private sector to ensure consistent enforcement, information sharing, and monitoring of supply chains. Developing economies like India would benefit from adopting EU-style due diligence requirements, supported by global funding, capacity-building initiatives, and technology- driven monitoring systems. Simultaneously, global hotel chains must take greater responsibility for their extended networks, ensuring that ethical standards apply equally to franchises, contractors, and suppliers. Strengthening corporate accountability through transparent reporting, independent audits, and stakeholder engagement will be vital to closing the gap between legal commitments and real-world practices. Ultimately, the convergence of law, CSR, and ethical business practices offers the most sustainable path toward eradicating child labour from the hospitality sector, ensuring that global tourism and economic growth are grounded in dignity, fairness, and human rights for all children.